

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

W-04120A

Grand Canyon Caverns and Inn, LLC
PO Box 180
Peach Springs, AZ 86434

RECEIVED

MAY 17 2011

ACC UTILITIES DIRECTOR

ANNUAL REPORT

Water

FOR YEAR ENDING

12	31	2010
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FOR COMMISSION USE

ANN 04	10
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5-18-11

COMPANY INFORMATION

Company Name (Business Name) GRAND CANYON CAVERNS & INN LLC

Mailing Address PO BOX 180
(Street)
PEACH SPRINGS AZ 86434-0180
(City) (State) (Zip)

928-422-4565 928-422-4470 —
Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Email Address shelly.grandcanyoncaverns@gmail.com

Local Office Mailing Address PO BOX 180
(Street)
PEACH SPRINGS AZ 86434-0180
(City) (State) (Zip)

928-422-4565 928-422-4470 —
Local Office Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Email Address shelly.grandcanyoncaverns@gmail.com

MANAGEMENT INFORMATION

Regulatory Contact:

Management Contact: SHELLY MUSSELL MANAGER
(Name) (Title)

PO BOX 180 PEACH SPRINGS AZ 86434-0180
(Street) (City) (State) (Zip)

928-422-4565 928-422-4470 —
Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Email Address shelly.grandcanyoncaverns@gmail.com

On Site Manager: SHELLY MUSSELL
(Name)

PO BOX 180 PEACH SPRINGS AZ 86434-0180
(Street) (City) (State) (Zip)

928-422-4565 928-422-4470 —
Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Email Address shelly.grandcanyoncaverns@gmail.com

Statutory Agent: MICHAEL KADLETZ
(Name)

PO BOX 180 PEACH SPRINGS AZ 86434-0180
(Street) (City) (State) (Zip)

928-422-4565 928-422-4470 —
Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Attorney: N/A
(Name)

(Street) (City) (State) (Zip)

Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Email Address mike.grandcanyoncaverns@gmail.com

OWNERSHIP INFORMATION

Check the following box that applies to your company:

<input type="checkbox"/> Sole Proprietor (S)	<input type="checkbox"/> C Corporation (C) (Other than Association/Co-op)
<input type="checkbox"/> Partnership (P)	<input type="checkbox"/> Subchapter S Corporation (Z)
<input type="checkbox"/> Bankruptcy (B)	<input type="checkbox"/> Association/Co-op (A)
<input type="checkbox"/> Receivership (R)	<input checked="" type="checkbox"/> Limited Liability Company
<input type="checkbox"/> Other (Describe) _____	

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

<input type="checkbox"/> APACHE	<input type="checkbox"/> COCHISE	<input checked="" type="checkbox"/> COCONINO
<input type="checkbox"/> GILA	<input type="checkbox"/> GRAHAM	<input type="checkbox"/> GREENLEE
<input type="checkbox"/> LA PAZ	<input type="checkbox"/> MARICOPA	<input type="checkbox"/> MOHAVE
<input type="checkbox"/> NAVAJO	<input type="checkbox"/> PIMA	<input type="checkbox"/> PINAL
<input type="checkbox"/> SANTA CRUZ	<input type="checkbox"/> YAVAPAI	<input type="checkbox"/> YUMA
<input type="checkbox"/> STATEWIDE		

COMPANY NAME

GRAND CANYON CAVERNS & INN LLC

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	I	I	I
302	Franchises	I	I	I
303	Land and Land Rights	I	I	I
304	Structures and Improvements	100,000	100,000	∅
307	Wells and Springs	—	—	—
311	Pumping Equipment	—	—	—
320	Water Treatment Equipment	I	I	I
330	Distribution Reservoirs and Standpipes	I	I	I
331	Transmission and Distribution Mains	I	I	I
333	Services	I	I	I
334	Meters and Meter Installations	—	—	—
335	Hydrants	I	I	I
336	Backflow Prevention Devices	I	I	I
339	Other Plant and Misc. Equipment	I	I	I
340	Office Furniture and Equipment	I	I	I
341	Transportation Equipment	I	I	I
343	Tools, Shop and Garage Equipment	I	I	I
344	Laboratory Equipment	I	I	I
345	Power Operated Equipment	I	I	I
346	Communication Equipment	I	I	I
347	Miscellaneous Equipment	I	I	I
348	Other Tangible Plant	I	I	I
	TOTALS	100,000	100,000	∅

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME

GRAND CANYON CAVERNS & INN LLC

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization			
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements	100,000	0	0
307	Wells and Springs			
311	Pumping Equipment			
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes			
331	Transmission and Distribution Mains			
333	Services			
334	Meters and Meter Installations			
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment	NONE	-	-
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	100,000	0	0

This amount goes on the Comparative Statement of Income and Expense _____
 Acct. No. 403.

COMPANY NAME

GRAND CANYON CAVERNS & INN LLC

BALANCE SHEET

Acct No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash (KT WELLS CREDIT)	\$ 250.00	\$ 6.20
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable (WATER)	62.30	232.26
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 312.30	\$ 238.46
	FIXED ASSETS		
101	Utility Plant in Service	\$ 100,000.00	\$ 100,000.00
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	< 100,000.00 >	< 100,000.00 >
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$ —	\$ —
	TOTAL ASSETS	\$ 312.30	\$ 238.46

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

NOTE: All amounts are extrapolated from overall corporate financial records. The water utility does not maintain separate financial records.

COMPANY NAME GRAND CANYON CAVERNS & INN LLC

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
LIABILITIES			
CURRENT LIABILITIES			
231	Accounts Payable (WATER TESTING)	\$ 268.00	\$ —
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits		
236	Accrued Taxes		
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	\$ 268.00	\$ —
LONG-TERM DEBT (Over 12 Months)			
224	Long-Term Notes and Bonds	\$ 0	\$ 0
DEFERRED CREDITS			
251	Unamortized Premium on Debt	\$ 0	\$ 0
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$ 0	\$ 0
	TOTAL LIABILITIES	\$ 268.00	\$ —
CAPITAL ACCOUNTS			
201	Common Stock Issued	\$ 100,000.00	\$ 100,000.00
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings	< 99,955.70 >	< 99,761.54 >
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ 44.30	\$ 238.46
	TOTAL LIABILITIES AND CAPITAL	\$ 312.30	\$ 238.46

NOTE: All amounts are extrapolated from overall corporate financial records. The water utility does not maintain separate financial records.

COMPANY NAME GRAND CANYON CAVERNS & INN LLC

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 137.38	\$ 2212.21
460	Unmetered Water Revenue	-	-
474	Other Water Revenues	4696.15	4115.51
	TOTAL REVENUES	\$ 4833.53	\$ 6327.72
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 5000.00	\$ 3200.00
610	Purchased Water	-	-
615	Purchased Power	-	-
618	Chemicals	1450.00	217.83
620	Repairs and Maintenance	3042.01	3177.71
621	Office Supplies and Expense	-	-
630	Outside Services	-	-
635	Water Testing	2965.00	54.00
641	Rents	I	I
650	Transportation Expenses	I	I
657	Insurance - General Liability	I	I
659	Insurance - Health and Life	I	I
666	Regulatory Commission Expense - Rate Case	I	I
675	Miscellaneous Expense (BAD DEBT)	-	222.04
403	Depreciation Expense	14,260.00	Ø
408	Taxes Other Than Income	-	-
408.11	Property Taxes (947-80-200)	142.81	113.21
409	Income Tax	-	-
	TOTAL OPERATING EXPENSES	\$ 26,859.82	\$ 6984.79
	OPERATING INCOME/(LOSS)	\$ <22,026.29>	\$ <657.07>
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$ I	\$ I
421	Non-Utility Income	I	I
426	Miscellaneous Non-Utility Expenses	I	I
427	Interest Expense	I	I
	TOTAL OTHER INCOME/(EXPENSE)	\$ Ø	\$ Ø
	NET INCOME/(LOSS)	\$ <22,026.29>	\$ <657.07>

NOTE: All amounts are extrapolated from overall corporate financial records. The water utility does not maintain separate financial records.

COMPANY NAME	GRAND CANYON CAVERNS & INN LLC
Name of System:	ADEQ Public Water System Number: 03-112

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-627-217	5 HP	66'	1000	6"		UNKNOWN
BALDOR MOTOR						
GRAND L PUMPS						
F0018321						

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
NONE		

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
BALDOR 5 HP	2	—	—

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
203,000	1	NONE	
100,000	1		

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME	GRAND CANYON CAVERNS & INN LLC
Name of System:	ADEQ Public Water System Number: 03-112

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS			CUSTOMER METERS	
Size (in inches)	Material	Length (in feet)	Size (in inches)	Quantity
2			5/8 X 3/4	
3	PLASTIC	44,880 → 8.5 MILES	3/4	
4			1	
5			1 1/2	
6			2	9 (8 AFTER 7/2011)
8			Comp. 3	
10			Turbo 3	
12			Comp. 4	
			Turbo 4	
			Comp. 6	
			Turbo 6	

For the following three items, list the utility owned assets in each category for each system.

TREATMENT EQUIPMENT:
 CHLORINE CONTROL PUMP

STRUCTURES:
 8' X 12' BLOCK BUILDING PUMP STATION
 4' X 4' BOOSTER PUMP SHED

OTHER:
 NONE

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME: GRAND CANYON CAVERNS & INN LLC
 Name of System: _____ ADEQ Public Water System Number: 03-112

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2010

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)	
JANUARY	9	49	AT WELL HEAD, METER NOT WORKING	N/A	
FEBRUARY	9	110			
MARCH	9	156			
APRIL	9	149			
MAY	9	206			
JUNE	9	285			
JULY (LARRY HUNT'S WATER TURNED OFF 7-20-2010)	9	190			
AUGUST	8	82			
SEPTEMBER	8	77			
OCTOBER	8	62			
NOVEMBER	8	76		414	
DECEMBER	8	132		365	
TOTALS →		1574		779	N/A

What is the level of arsenic for each well on your system? .038 mg/L PPB
 (If more than one well, please list each separately.)

If system has fire hydrants, what is the fire flow requirement? _____ GPM for _____ hrs

If system has chlorination treatment, does this treatment system chlorinate continuously?
 Yes No

Is the Water Utility located in an ADWR Active Management Area (AMA)?
 Yes No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?
 Yes No

If yes, provide the GPCPD amount: _____

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME: GRAND CANYON CAVERNS & INN LLC
 Name of System: ADEQ Public Water System Number: 03-112

UTILITY SHUTOFFS / DISCONNECTS

MONTH	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	OTHER
JANUARY	NONE	I	NONE
FEBRUARY			
MARCH			
APRIL			
MAY			
JUNE		I	
JULY		I	
AUGUST		I	
SEPTEMBER			
OCTOBER			
NOVEMBER			
DECEMBER	I	I	I
TOTALS →	∅	I	∅

OTHER (description):

COMPANY NAME GRAND CANYON CAVERNS & INN LLC YEAR ENDING 12/31/2010

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2010 was: \$ 113,21

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

VERIFICATION
AND
SWORN STATEMENT
Taxes

RECEIVED

MAY 17 2011

AZ CORP COMM
Director Utilities

VERIFICATION

STATE OF ARIZONA
I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME)	<u>COCONINO</u>
NAME (OWNER OR OFFICIAL) TITLE	<u>SHELLY A MUSSELL, MANAGER</u>
COMPANY NAME	<u>GRAND CANYON CAVERNS & INN LLC</u>

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
<u>12</u>	<u>31</u>	<u>2010</u>

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

Shelly A. Mussell
SIGNATURE OF OWNER OR OFFICIAL
928-422-4565
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME, TERESA I MARTIN,

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

29TH

DAY OF

COUNTY NAME	<u>MARICOPA</u>	
MONTH	<u>APRIL</u>	<u>2011</u>



Teresa I. Martin
SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES _____

RECEIVED

VERIFICATION AND SWORN STATEMENT Intrastate Revenues Only

MAY 17 2011

AZ CORP COMM Director Utilities

VERIFICATION STATE OF ARIZONA I, THE UNDERSIGNED OF THE

Form with fields: COUNTY OF (COUNTY NAME) COCONINO, NAME (OWNER OR OFFICIAL) TITLE SHELLY A MUSSELL, MANAGER, COMPANY NAME GRAND CANYON CAVERNS & INN LLC

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

Table with columns: MONTH 12, DAY 31, YEAR 2010

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2010 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$) \$ 6327.72

(THE AMOUNT IN BOX ABOVE INCLUDES \$ 0.01 IN SALES TAXES BILLED, OR COLLECTED)

**REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)

Signature: Shelly A. Mussell, Telephone Number: 928-422-4565

SUBSCRIBED AND SWORN TO BEFORE ME, TERESA I MARTIN,

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

Form with fields: COUNTY NAME MARICOPA, MONTH APRIL, .2011

THIS 29 TH DAY OF



Signature: Teresa I. Martin, SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES

VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
Intrastate Revenues Only

VERIFICATION

STATE OF ARIZONA

COUNTY OF (COUNTY NAME) <i>COCOONINO</i>	
NAME (OWNER OR OFFICIAL) <i>SHELLY A MUSSELL</i>	TITLE <i>MANAGER</i>
COMPANY NAME <i>GRAND CANYON CAVERNS & INN LLC</i>	

I, THE UNDERSIGNED
OF THE

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2010

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2010 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES <i>\$ 2212.21</i>
--

THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 0
IN SALES TAXES BILLED, OR COLLECTED)

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.

Shelly A. Mussell
SIGNATURE OF OWNER OR OFFICIAL
928-422-4565
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

<i>29TH</i>

DAY OF

NOTARY PUBLIC NAME <i>TERESA I MARTIN</i>	
COUNTY NAME <i>MARICOPA</i>	
MONTH <i>APRIL</i>	.20 <u>11</u>

(SEAL)



MY COMMISSION EXPIRES

Teresa I. Martin
SIGNATURE OF NOTARY PUBLIC